



Utah Interim Committee on Public Utilities, Energy, and Technology

Scott Mackey
Managing Partner
Leonine Public Affairs
Montpelier, VT

September 18, 2019

Utah Wireless Taxes

2015 to 2019

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
State sales tax	4.70%	4.70%	4.70%	4.70%	4.85%
Local sales taxes	2.10%	2.15%	2.15%	2.15%	2.65%
Local utility wireless	3.50%	3.50%	3.50%	3.50%	3.50%
Local 911	\$.61/line	\$.61/line			
State 911	\$.09/line	\$.09/line	\$.80/line	\$.80/line	\$.96/line
State Radio Network Charge			\$.18/line	\$.52/line	\$.52/line
CAD Fee	\$.06/line	\$.06/line			
State USF	0.63%	0.63%	1.04%	\$.36/line	\$.60/line
State TRS	\$.10/line	\$.02/line			
STATE/LOCAL TOTAL	12.77%	12.73%	13.75%	14.70%	16.50%
FUSF	6.46%	6.64%	6.34%	6.64%	9.05%
TOTAL	19.23%	19.37%	20.09%	21.34%	25.55%
50-State Rank (1=highest)	13	16	13	11	5

Flat rate taxes/fees converted to percentage using average monthly bill for each year

State USF - Percentage-based state USF rate times inverse of FUSF safe harbor (62.9% of flat charge).

Source: Scott Mackey, reports from various years.

TAXES, FEES, AND GOVERNMENT CHARGES ON WIRELESS SERVICE

(As of July 1, 2019)

<u>Type of Tax/Fee</u>	<u>Utah</u>	<u>Wyoming</u>	<u>Idaho</u>	<u>Nevada</u>	<u>Arizona</u>	<u>Colorado</u>
State Sales/Use	4.85%	4.00%			5.60%	2.90%
Local Sales/Use	2.65%	1.50%			0.60%	5.38%
Other Local Excise	3.50%			1.98%	5.90%	
911	\$.96/line	\$.75/line	\$1.00/line	\$.43/line	\$.20/line	\$1.28/line
State Radio network	\$.52/line					
State USF	\$.60/line	1.07%		0.18%		1.64%
TDD / Deaf Relay		\$.09/line		\$.06/line		\$.04/line
TOTAL STATE/LOCAL	16.50%	8.79%	2.64%	3.44%	12.63%	13.39%
Federal USF	9.05%	9.05%	9.05%	9.05%	9.05%	9.05%
TOTAL FED/STATE/LOCAL	25.55%	17.84%	11.69%	12.49%	21.68%	22.44%
Rank (1=highest)	5	42	50	49	21	18

Flat rate taxes/fees converted to percentage using average monthly bill of \$37.85

State USF - Percentage-based state USF rate times inverse of FUSF safe harbor (62.9% of flat charge).

FUSF - 24.4% contribution rate times FCC interstate safe harbor percentate (37.1%)

Source: Scott Mackey, "Wireless Taxes and Fees Jump Sharply in 2019," forthcoming 10/2019.

Federal Universal Service Fund Contribution Factor

(assessed as percentage of Interstate charges)

